July 28, 2004



DATE:

TO: Honorable Chairperson Barbara Carey-Shuler,

Ed.D. and Members, Board of County

Commissioners

Honorable Dorrin D. Rolle, Chairperson Economic Development & Human Services (ED&HS) Committee

SUBJECT: Affordable Housing Workshop

on July 28, 2004

FROM: George W. Burgess ount, Manager

This memorandum serves to transmit background information for the Affordable Housing Workshop that has been scheduled for Wednesday, July 28, 2004 from 9:30 a.m. – 11:30 a.m. Please be reminded that while this meeting is being convened as a Special Meeting of the Economic Development and Human Services (ED&HS) Committee, the purpose of the meeting is to conduct a workshop for the entire Board of County Commissioners on the policy recommendations of the Affordable Housing Work Group relative to Inclusionary Zoning and the Equitable Distribution of Affordable Housing. Therefore, the Honorable Chairperson and all Members of the Board are invited to attend and participate in this workshop.

The following information is being transmitted with this memorandum for your review prior to the workshop:

-Workshop Presentation Outline

-Moderately Priced Housing Program (Proposed)

-Equitable Distribution Program for Existing Publicly Assisted Affordable Housing (Draft)

Please contact Tony E. Crapp, Sr., Assistant County Manager should you have any questions relating to this workshop.

Assistant County Manager

### Special Meeting of the Economic Development and Human Services Committee Board of County Commissioners Proposed Date and Time: Wednesday, July 28, 2004, 9:30 A.M. – 11:30 A.M.

Workshop on the Recommendations of the Enhanced Affordable Housing Work Group regarding Inclusionary Zoning and the Equitable Distribution of Affordable Housing

### **DRAFT Presentation Outline**

I. Opening Comments and Background......Tony E. Crapp, Sr. (10 minutes) II. Historical Perspective of the need for Affordable Housing in Miami-Dade County....Charles Blowers (20 minutes) Ш. Recommendation regarding the use of Inclusionary Zoning to promote the development of Affordable Housing.....Andy Dolkart (15 minutes) IV. Recommendation regarding the Equitable Distribution of Affordable Housing......Al Brewster (30 minutes) V. **Public Comments** 

Agenda Special EDHS Committee re Affordable Housing 071904

VI.



**County Commission Discussion** 

### Miami-Dade County Moderately Priced Housing Program Proposed

### Background

- o There is a large need for low- and moderate-income housing in Miami-Dade County.
- o A great portion of this can be termed "work force" housing; specifically middle income.
- o This type of housing is currently fairly well distributed throughout the County, but this program would help to improve that situation.
- o The private building industry is best equipped by virtue of experience and capability of providing moderately priced housing.
- Well structured programs featuring both requirements and incentives have shown to be
  effective in helping to overcome these problems; therefore, the Board of County
  Commissioners intend to establish a Moderately Priced Housing Program (MPHP).
- o This type of program, which results in mixed-income neighborhoods has been shown to have other positive social and economic effects.
- As part of the Housing, Community and Economic Development portion of the Consolidated Planning Process policies, the Board of County Commissioners has placed emphasis on mixed income housing projects and their dispersal throughout the County rather than concentrations in certain areas.

### **Program Elements**

- o This program in Miami-Dade County applies to all new residential developments above a density of 5 units/acre and containing twenty (20) or more units.
- The program should be applied initially to the unincorporated area. However, participation
  in the program should be made a binding condition when additional areas move to
  incorporate.
- Appropriate efforts should be made to bring the existing incorporated areas into the program as soon as possible.
- The exact number of moderately priced units required and density bonus granted will be determined by the location of the development, type of housing units proposed, and site plan considerations and will vary from 6 percent to 24 percent moderately priced units and 10 percent to 50 percent density bonus.

- Unless a zoning district boundary change or other zoning request involving a change of use is required, a development with moderately priced units included under the provisions of this program will be administratively approved.
- o For administrative approval, utilizing development incentives, the proposed development would have to be in compliance with the zoning and site plan criteria for the zoning district in which the subject property is located. In this instance, review of the administrative decision shall be appealed to the Board of County Commissioners.
- o If the proposed development requires approval of any district boundary change, variance, special exception, unusual use, new use requiring public hearing or modification or deletion of provision of a covenant or deed restriction accepted or approved at public hearing, then any such request involving a change of use of the subject property, including such zoning relief as shall be necessary to satisfy the criteria of the moderately priced housing program, as well as the underlying development proposal, shall be approved by the Board of County Commissioners in a direct application. Specific amendments to the zoning procedures code will be required to effectuate this. Subsequent review shall be in the circuit court. Zoning relief that does not involve a change of use of the subject property may be reviewed and approved administratively subject to review on appeal by the Board of County Commissioners. Again, specific amendment to existing zoning procedures to effectuate this provision would be required.
- The land use element of the comprehensive development master plan (CDMP) must be amended to establish a floor density tied to a certain percentage (to be defined later) to the maximum allowed in the zoning district or CDMP category for development proceeding under the moderately priced housing program.
- o The program's intent is to provide affordable owner or rental housing to households with incomes up to 95 percent of the countywide median family income (MFI).
- Due to cost constraints on providing an adequate housing unit, the effective income floor is
   50-60 percent of MFI. Below this, direct subsidies are required.
- The County Manager will establish detailed standards of eligibility for the Program within administrative rules, subject to Board of County Commissioners approval.
- Development under the moderately priced housing program would be eligible for impact fee exemptions for affordable housing under existing impact fee programs.
- Certain exemptions from this program and alternative ways of complying with its provisions will be established by the County Manager subject to Board of County Commissioners approval. However, in so doing, the Manager will be guided by the foremost objective of the Program which is to provide more moderately priced housing which is also more dispersed throughout the County.

- o If a buyout option is provided for, accumulated funds must be used for housing for low-income households or infrastructure in the infill area or other targeted location.
- The County and designated not-for-profit affordable housing developers will be eligible to purchase some of the units constructed under terms and conditions designed to reach low and very low income households.
- o In order to effectively implement and operate this Program, the County Manager, assisted by selected County department heads, will develop and issue administrative rules and procedures covering such topics as resale and subleasing of units, project phasing, site plan requirements, design guidelines, recording of covenants, waiver of requirements, unit specifications, selection process for applicants, identification and responsibilities of the administering departments, and any other matters pertinent to proper functioning of the Program subject to Board of County Commissioners' approval.

### EQUITABLE DISTRIBUTION PROGRAM FOR EXISTING PUBLICLY ASSISTED AFFORDABLE HOUSING PROGRAMS (DRAFT)

### **PURPOSE:**

To establish a policy for the public assistance of affordable housing, in an effort to encourage the equitable distribution of such housing throughout Miami-Dade County.

### **DEFINITIONS:**

Affordable Housing —. For purposes of this program, affordable housing shall be defined as housing affordable to households at no more than 80% of the MFI.

**Development** – refers to the construction of new affordable housing units on a vacant parcel, or on a parcel not formerly used for this purpose, including the creation of new affordable housing in parcels formerly used for the siting of manufactured homes (e.g. mobile home parks).

**Rehabilitation** – refers to the rehabilitation (moderate or substantial) of existing affordable housing units; does not include expanding capacity of the housing (adding units).

**Public funding** – for this purpose, refers only to funding or other assistance (such as tax or fee waivers) for affordable housing under the direct jurisdiction of the Board of County Commissioners (BCC). It shall not refer to public funding from other local sources (such as cities, special taxing districts, etc.), State or Federal funds that are directly allocated and do not require BCC approval for allocation.

Publicly-assisted housing – refers to housing that receives public funding or other assistance for acquisition, new construction, rehabilitation, and/or operation.

Areas of High Concentration (of Affordable Housing) – refers to areas (as shall be defined by census tracts) with more than 48% of the housing stock defined as affordable housing (whether or not publicly assisted), as of the date of the approval of any ordinance for purposes of implementing an equitable distribution program.

Areas of Moderate Concentration (of Affordable Housing) – refers to areas with more than 30% but less than 48% of the housing stock defined as affordable housing (whether or not publicly assisted).

Areas of Low Concentration (of Affordable Housing) – refers to areas with less than 30% of the housing stock defined as affordable housing (whether or not publicly assisted).

Targeted Zone – Infill housing or other special development programs (e.g. in response to gentrification, etc.) that may or may not be located in areas of high concentration.

Real Estate Tax Abatement – The deferral or waiver of some or all real estate property taxes.

Transportation Corridors – The areas within a ½-mile of a Metrorail line or exclusive Busway.

### ASSUMPTIONS:

- This policy is focused on the role of public funding or assistance of affordable housing and does not address privately financed affordable housing with no such funding or assistance.
- This policy will primarily impact on the development of new affordable housing
- This policy is intended to compliment other efforts to address the equitable distribution of moderately priced housing



- This policy may result in the development of fewer affordable housing units than utilizing current funding strategies
- This policy may require changes in federal regulations to ensure use of dollars in areas of low and moderate concentration

### **METHODS:**

### I. Funding Priorities:

<u>Premise:</u> To influence the distribution of affordable housing; it shall be the policy of the Board of County Commissioners that funding and/or assistance shall be allocated based on priorities for equitable distribution.

- A. Priority/preference points shall be included in ALL competitive processes as follows:
  - 1. New developments not located in transportation corridors or targeted zones (such as infill programs).
    - a. Maximum priority points for projects proposed in areas of low concentration;
    - b. Partial priority points for projects proposed in areas of moderate concentration;
    - c. No priority points for projects proposed in areas of high concentration.
  - 2. New developments in transportation corridors or targeted zones located in high concentration areas shall receive the same maximum points as new development projects proposed in areas of low concentration.
  - 3. Rehabilitation projects in any area (low, medium, high concentration, transportation corridors, targeted zones), shall receive the same level of priority points as new development projects proposed in areas of low concentration.
  - 4. Rehabilitation projects with proposed capacity/unit expansion, located in areas of high concentration, shall receive partial priority points if the proposed expansion is no more than 10% more than the current capacity or located in a transportation corridor/targeted zone, and shall receive no priority points if the proposed expansion is more than 10% of current capacity.
  - 5. Rehabilitation projects with proposed capacity/unit expansion located in areas of moderate concentration shall receive partial priority points, regardless of level of expansion.
  - 6. Rehabilitation projects with proposed capacity/unit expansion located in areas of low concentration shall receive maximum priority points, regardless of level of expansion.
  - 7. New construction projects that are mixed income in nature (e.g. housing available for persons at various income levels, such as low and moderate, moderate and market, low, moderate and market, etc.) shall receive points in accordance with the location of the housing, with maximum priority points for projects in areas of low concentration, partial priority points for projects in areas of moderate concentration, and no priority points for projects in areas of high concentration.
  - 8. Rehabilitation projects that are mixed income in nature and do not propose an expansion of the affordable units (from the existing, pre-rehab level) shall receive maximum points regardless of location.
  - 9. Rehabilitation projects that are mixed income in nature with proposed capacity/unit expansion shall receive points in accordance with the location of the housing, in accordance with the level of points awarded for in #'s 4, 5, & 6 above.

The weighing of priority points shall be such that the proposed placement of housing in an area of low concentration shall provide a competitive advantage to the applicant, over applicants proposing similar housing in areas of high concentration (not including transportation corridors or targeted areas). Likewise, rehabilitation of affordable housing, without increased capacity, does not increase the housing inventory, thus should receive the same consideration as projects proposed for areas of low concentration.

### B. Incentives:

<u>Premise:</u> In order to practically effectuate the prioritizing of projects located in areas of low or moderate concentration, it is necessary to avoid the likely additional costs related to development in areas of low or moderate concentration, such as increased land costs, infrastructure, etc. Consideration will be given to a review of the viability of projects (whether they are cost prohibitive, whether they are cost-effective overall, etc.), in which case alternative assistance may be recommended. As such, the Board of County Commissioners shall prioritize funding and assistance for projects as follows:

### 1. For new developments

- a. Projects proposed in areas of low concentration or new developments in transportation corridors or targeted zones located in areas of high concentration shall be eligible for development subsidy of up to 20% of the total project costs (less developer's fee).
- b. Projects proposed in areas of moderate concentration shall be eligible for development subsidy of up to 10% of the total project costs (less developer's fee).
- c. Projects proposed in areas of high concentration shall only be eligible for development subsidy of up to 5% of the total project costs (less developer's fee)
- 2. For rehabilitation projects, development subsidy level should be based on evaluation in the competitive process within the existing maximum development subsidy cap (10%).
- 3. For rehabilitation projects with proposed capacity/unit expansion
  - a. In areas of low concentration or transportation corridors/targeted zones development subsidy level should be based on evaluation, within the existing maximum development subsidy cap (10%).
  - b. In areas of moderate concentration—development subsidy level should be based on evaluation in the competitive process, with a maximum development subsidy of 6% of the total project costs (less developer's fee).
  - c. In areas of high concentration development subsidy level should be based on evaluation in the competitive process, with a maximum development subsidy of 3% of the total project costs (less developer's fee).

### C. Other Possible Incentives:

Real Estate Tax Abatements (multi-family, non-homeownership units only):

- 1. For New Developments
  - a. Up to 10% tax abatement for five years, or for the affordability period of the funding source with the greatest financial commitment to the project, for units in new developments proposed in areas of low concentration or for new developments in transportation corridors or targeted zones located in areas of high concentration.
  - b. Up to 5% tax abatement for three years, or for the affordability period of the funding source with the greatest financial commitment to the project for projects proposed in areas of moderate concentration.
  - c. No tax abatement for projects proposed in areas of high concentration.
- 2. For rehabilitation projects, including rehabilitation projects in transportation corridor/targeted zone same as new developments in areas of low concentration
- 3. For rehabilitation projects with proposed capacity/unit expansion
  - a. Same as new development projects proposed in areas of high concentration
  - b. If proposed in transportation corridor/targeted zone-same as new development projects proposed in areas of low concentration.

### D. County Support:

<u>Premise:</u> The County can influence the distribution of affordable housing developed through other public resources through its direct and indirect support.

### **Tax Credit Applications:**

- a. The County shall certify the maximum local participation/allow maximum impact fee waivers allowed for new development projects proposed in areas of low concentration, new developments in transportation corridors or targeted zones (regardless of concentration) and for rehabilitation projects with no expanded capacity (regardless of concentration)
- b. The County shall certify only 65% of the local participation/allow only 65% of the costs for impact fee waivers for projects proposed in areas of moderate concentration
- c. No certification of local participation/no impact fee waivers shall be provided for projects proposed in areas of high concentration or rehabilitation projects with increased capacity.
- d. If there are no applications proposed in the areas of low concentration, then (C) above would not apply.

Other financing applications requiring local funds: Same methodology as above would apply.

### E. Zoning Incentives:

Premise: The County can adopt changes in the zoning code to assist in the development of affordable housing in areas of low concentration.

The following shall apply ONLY for new developments in areas of low concentration, or new developments in transportation corridors/targeted zones (regardless of level of concentration):

- a. If the proposed new development in an area of low concentration, or new development in a transportation corridor/targeted zone (regardless of level of concentration) requires approval of a zoning request by a quasi-judicial tribunal, then any such request including such zoning relief as shall be necessary to satisfy the criteria of the Equitable Distribution Program, as well as the underlying development proposal, shall be approved by the Board of County Commissioners in a direct application. Subsequent review shall be in the circuit court. Specific amendment to the zoning procedures to effectuate this provision would be required.
- b. Zoning relief that does not involve a change of use of the subject property may be reviewed and approved administratively subject to review on appeal by the Board of County Commissioners with provision for final appellate review in the circuit court. Specific amendments to the existing zoning procedures to effect this provision would be required.
- c. The land use element of the comprehensive development master plan (CDMP) must be amended to establish a floor density tied to a certain percentage (to be defined later) to the maximum allowed in the zoning district or CDMP category for new development in areas of low concentration or transportation corridors/targeted zones (regardless of level of concentration) proceeding under the Equitable Distribution program.

### Special Meeting of the Economic Development and Human Services Committee Board of County Commissioners Date and Time: Wednesday, July 28, 2004, 9:30 A.M. – 11:30 A.M.

Workshop on the Recommendations of the Affordable Housing Work Group regarding Inclusionary Zoning and the Equitable Distribution of Affordable Housing

### **Presentation Outline**

I.	Opening Comments and ObservationsTony E. Crapp, Sr (10 minutes)
п.	Historical Perspective of the need for Affordable Housing in Miami-Dade CountyCharles Blower (20 minutes)
Ш.	Recommendation regarding the use of Inclusionary Zoning to promote the development of Affordable HousingAndy Dolkart (15 minutes)
IV.	Recommendation regarding the Equitable Distribution of Affordable Housing
V.	Public Comments
VI.	County Commission Discussion
VII.	Adjournment

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Posted on Wed, Jul. 21, 2004

### **BROWARD/MIAMI-DADE**

### Housing prices squeeze buyers

BY NATALIE P. McNEAL AND AMY SHERMAN nmcneal@heraid.com

Police officers, nurses, paralegals and other middle-class workers can't afford the average home in South Florida, according to a new national study released Tuesday.

"Families will have to choose whether to make long, difficult, commutes to trade off the cost of housing," said Barbara Lipman, researcher for the Center for Housing Policy, which authored the study, `` -- or make difficult decisions for the household budget."

Lipman's nonprofit group conducted the study of 136 U.S. metropolitan areas. The National Association of Counties released a similar study Tuesday.

"The men and women who police our streets, fight our fires and educate our children deserve the opportunity to live in the communities in which they work," said Angelo D. Kyle, the association's president.

In Broward County, the median home costs \$222,000. To afford that house, a worker needs to earn more than \$69,000 a year, economic experts say. The median annual income for a police officer, for example, is \$51,800.

In Miami-Dade, the median-priced home cost \$237,000, which requires an annual income of \$73,866. Police officers there make an average of \$49,390.

All of those figures assume a single-income household.

### **MAJOR PROBLEM**

Real-estate watchers, housing advocates, politicians and would-be home buyers all agree that housing for the middle class is a major problem in South Florida.

South Florida's warm climate, land scarcity and rapid growth make it one of the most desirable places for people to live. But the growth increases competition to buy homes, pricing many out of the market.

Coastal cities, which lure wealthier people, are on the cutting edge of rising housing prices, economists say.

Basically, the South Florida market is becoming like California, experts say.

"It's an unfortunate reality," said Lewis Goodkin, a real-estate analyst and consultant in Miami. ``People who serve community needs cannot afford to live in communities that they work in."

Real-estate agent Michelle Martinson deals with prospective buyers who can afford only small down payments, but are approved through 100 percent financing programs from banks.

The buyers then have major mortgage payments and often run into problems.

### **SELLERS' MARKET**

Decent, middle-class homes are usually swooped up within a weekend after they are listed-- and by those with the most cash.

"The banks will advertise great loan programs for teachers, police officers, and first- time home buyers," said Martinson, who

works in Fort Lauderdale. ``But what people don't understand is that if they don't have any money to put down as a good-faith deposit, then they are not going to get the property. It's too competitive."

Over the past five years, lower interest rates, a weak stock market and diminishing sites to build on triggered the gold rush to home ownership, driving prices higher, Goodkin said.

"When the stock market crashed, the average Joe felt that housing was a more suitable investment," Goodkin said.

With single-family homes out of reach, many buyers are now looking for alternatives -- condos or townhouses -- Goodkin added.

For the study, researchers also looked at rental units and found that South Floridians in lower-paying jobs, like retail sales or maintenance, couldn't afford decent apartments.

### SUBSIDIZE HOUSING

To combat the affordability crunch, the Center for Housing Policy said employers need to help subsidize workers' housing. The center also advocates "inclusionary zoning," a government policy that requires every new development to include some housing for low- and moderate-income people.

"There needs to be more affordable housing built and more incentives for builders to build them," said Bob Reid, president of the Center for Housing Policy.

Miami resident April Colebrook, 32, works as a Head Start preschool teacher in Miami-Dade. She wishes she could afford a home.

For more than a year, she has looked for a house to buy because she is tired of paying \$700 monthly rent. . Colebrook has searched from Miami to Miramar for a home, all to no avail.

"An agent told me I can't get a good-looking house," said Colebrook, who earns \$32,000 annually. 'I've been told I`d have to live in a `rinky-dink' area. Something needs to be done."

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Page 1 of 1

### Ete Misset Hemb Herald.com

Posted on Fri, Jul. 23, 2004

### **WAGES AND WORK**

### Studies: South Florida a place of fiscal extremes

Two studies by Washington groups highlight the plight of South Florida's working poor and the gulf between them

and the rich.

BY CHRISTINA HOAG choag@herald.com

A study of living costs around the country, released Thursday, found that Miami-Dade residents need to earn at least \$18.49 an hour, or \$39,053 a year, to support a family of one adult and two small children.

Another report, also released Thursday, found that Miami has the country's third-biggest gap between rich and poor residents and Fort Lauderdale the eighth biggest. Washington was found to top the list.

The studies, by different Washington advocacy groups, underscored the problem of low-wage workers and their increasing difficulty in climbing the salary ladder.

In the first study, by Wider Opportunities for Women, Miami-Dade was found to share a pattern with nine other U.S. communities: "A full-time, minimum-wage job in no way covers basic living costs in any part of the country," said Maureen Golga, director of Family Economic Self-Sufficiency Project for WOW, a 40-year-old organization that offers job and literacy training for women.

The study, titled *Coming Up Short: A Comparison of Wages and Work Supports in 10 American Communities*, outlines basic budgets for the 10 communities for a single-parent household with two children under age 5. They range from a high of \$59,544 a year in Boston to a low of \$27,660 in Orleans Parish, La. Miami-Dade ranks fifth.

Essential for low-wage workers to make ends meet are what WOW terms "work supports": subsidized child care, insurance, food stamps, cash assistance, transportation, affordable housing.

The group plans to use the study to urge Washington to devote more resources to ease the plight of the working poor, such as hiking the minimum wage, increasing education and training opportunities and providing more aid to low-wage families in the form of low-cost child care.

The income-equality study, conducted by the D.C. Fiscal Policy Institute, found the 2000 annual income of Miami's richest top fifth of households to average \$125,934 and the bottom fifth \$4,294. Fort Lauderdale's wealthiest 20 percent earned \$176,053 in 2000, the bottom 20 percent \$7,831.

The D.C. Fiscal Policy Institute studies budget and social issues of interest to the District of Columbia.

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### July 20, 2004

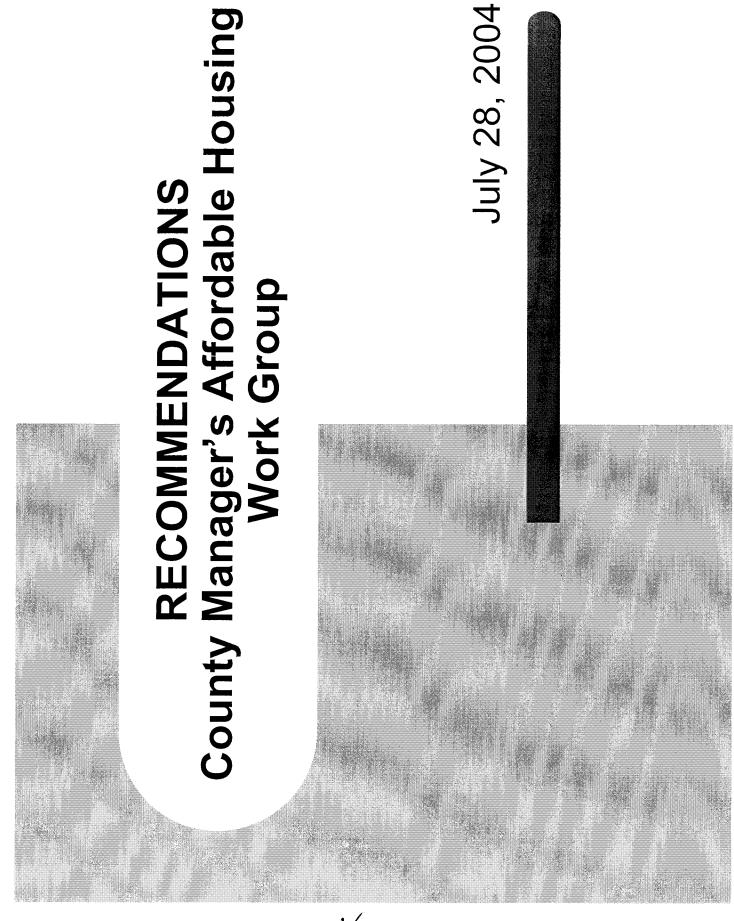
### HOUSING POLICY WORKGROUP Comments by Elizabeth Plater-Zyberk

(To be read into the record at the Board of County Commissioners Workshop, July 28, regarding the recommendations of the Housing Policy Group.)

The following are a few comments emerging from my participation in the Housing Policy Group's last meeting, Monday, July 12. I have been a member of the group for a number of years and were it not that I am out of town on the 28<sup>th</sup>, would be attending this workshop.

- · First, I enthusiastically support the recommendations being presented this morning. They are an essential foundation for a larger vision and can be seen as the important first step of the County putting its own house in order by prioritizing the use of the funding it controls. Since the incentives proposed by the Policy Group recommendations are needed in some cases to overcome state and federal funding policies, a logical next step would be to address those at their appropriate levels.
- The ultimate goal is a countywide commitment including all municipalities to an equitable distribution of diverse housing. This could be achieved with inclusionary zoning requiring some percentage of affordable housing, or at least mixed-income housing, in all new housing construction. This would go a long way in the continuing struggle to give all our residents equal opportunity with regard to housing, education and access to jobs.
- Miami-Dade County is a national leader in many ways we may not be aware of. Setting our sights high and engaging the policies to implement our vision can influence other parts of the country long before we implement our own intentions. As an example, the County's Traditional Neighborhood Development Code, passed by the County Commission over a decade ago (and still only in rare use here in Miami-Dade), has encouraged elected leaders and municipal governments across the United States to implement similar mixed-use, pedestrian-oriented zoning codes.
- · Finally, it would be useful to monitor the results of this program as it goes into effect, starting with a base case assessment, either by County staff or an academic entity with capacity to engage such a study, such as FIU's Metropolitan Center or FAU's Catanese Center.

Thank you for the opportunity to participate in the Housing Policy Workgroup. I hope the Group's goals and recommendations will receive the support of the Board of County Commissioners, to enable their implementation to proceed.



- Group as a public/private initiative to assist in On January 4, 2002 the County Manager appointed an Affordable Housing Work the crafting of an enhanced affordable housing program with two main goals.
- housing; and the other is to attain a more equitable distribution of such housing in One goal is to provide more affordable Miami-Dade County.

appointed as Co-Chairpersons. Mr. Dolkart is County Manager Barbara Jordan and Real To lead this public/private effort, Assistant active in the Greater Miami Chamber of **Estate Consultant Andrew Dolkart were** provides market and financial feasibility Commerce and heads his own firm that analysis for real estate projects.

- was convened on January 8, 2002 and the meetings have continued over the The initial meeting of the Work Group course of the past couple of years.
- Work Group was proceeded by severa significant events relative to affordable The creation and convening of the housing dating back to 1998.

- In late 1998 the BCC requested a study on affordable housing.
  - entitled Proposed Guidelines for Equitable Distribution of Low and Moderate Income Planning and Zoning prepared a report In December, 1999 the Department of Housing by BCC District.

On November 17, 2000 the County Manager transmitted to the Mayor and BCC a report Housing: Challenges and Opportunities. entitled The Distribution of Affordable

based on the concept of inclusionary zoning; and ocation of affordable housing as a portion of the identify methods for estimating the amount and No. R-870-01 which directed (1) the preparation On July 24, 2001 the BCC adopted Resolution collection clearinghouse to regularly compile of a plan for an affordable housing program data on government assisted housing and (2) the development of a plan for a data housing stock in Miami-Dade County.

Enhanced Affordable Housing Program That Clearinghouse. This report was presented to In January, 2002 the Staff Committee on the Equitable Distribution of Affordable Housing Promotes Equitable Distribution Through Inclusionary Zoning and a Housing Data prepared a report entitled A Plan For An the BCC on January 29, 2002.

MDP&Z; and Terrence Smith, Assistant County Crapp, Sr., ACM; Andre Ragin, ACTM; Gary T. Director, MDHA; Alphonso Brewster, Deputy Hartfield, ATCM; Patricia Braynon, Director, MDHFA; Jose Pons, HFA; Rene Rodriguez, Director, MDHA; Hilda Fernandez, Director, The Staff Committee included the following individuals: Barbara Jordan, ACM; Tony E. MDHT; Charles Blowers, Research Chief, Attorney.

Housing Opportunities Project for Excellence, The effort of the Affordable Housing Work participation of representatives from the Group has been greatly assisted by the Inc.; Miami-Dade Public Schools; Latin following organizations: Fannie Mae; Community Development Coalition; **Builders Association; South Florida Jniversity of Miami;** 

Realtor Association of Greater Miami and the Coalition for the Homeless; Slack & Johnson, County; Miami-Dade League of Cities; Miami Beaches; League of Women Voters of Dade Inc.; Citibank; First Union/Wachovia National Architects; South Florida Board of Realtists; (continued) The Beacon Council; Forbes Bank; Greater Miami Neighborhoods;

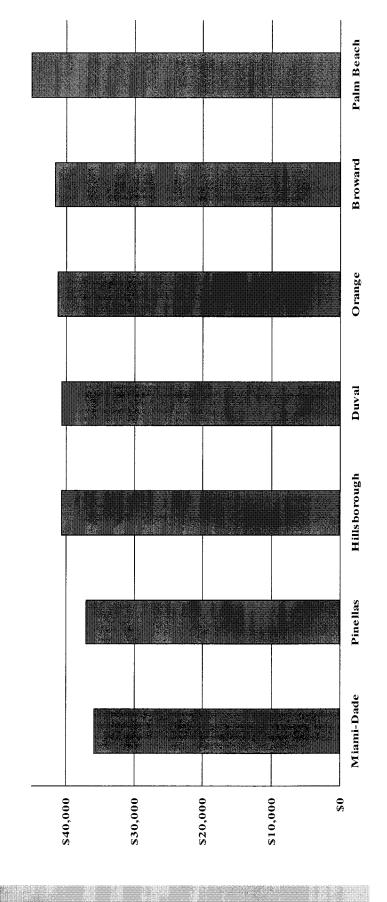
Housing Group; and the Builders Association of South Florida including the participation of (continued) South Florida Regional Planning Urban Development; Centrust Development Urbaniza, and Bilzin Sumberg Dunn Baena Council; U.S. Department of Housing and Group; Landmark Companies; Pinnacle Price & Axelrod, LLP.

# Housing Affordability: 2000 Miami-Dade County

- Housing affordability is a key issue in Miami-Dade County.
- but one that is exacerbated by higher than average shelter costs in the Miami area. This is essentially an income problem,
- Miami-Dade County had the lowest median household income of all large counties in the State in 2000.

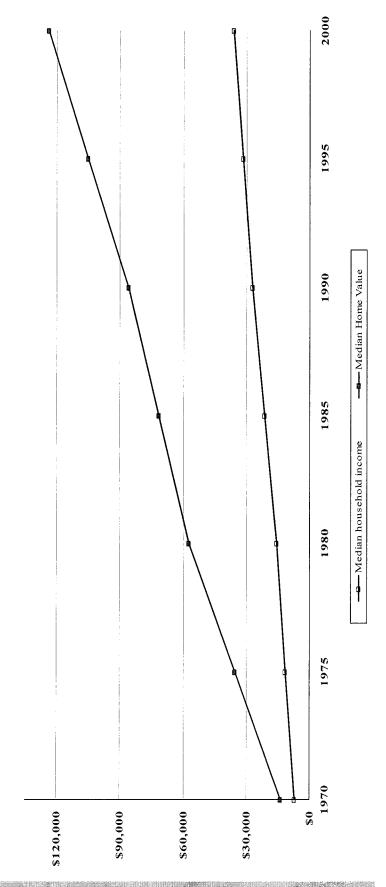
# Median Household Income

for Counties With Population More Than 500,000



- It ranked 12th in the nation among large (500,000 or more residents) counties in terms of the percentage of persons in poverty.
- Miami-Dade County has higher-thanaverage shelter costs.
- home values in 2000 were higher than the The median gross rent and the median State and national averages.

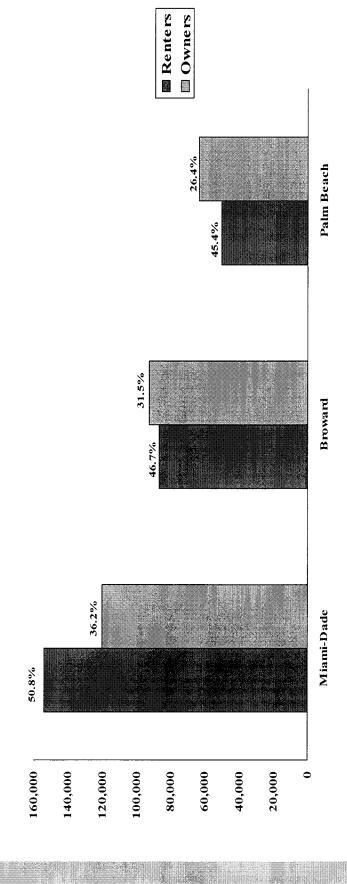




- Households have traditionally been regarded rents, including contract rent and the cost of as "cost burdened" if they spend more than 30 percent of their gross income on shelter costs, i.e. owner costs, including mortgage payments, taxes and insurance; or gross utilities and fuels.
- Miami-Dade households suffer from a high and increasing housing cost burden.

- than the comparable figures for Broward and renter households were paying more than 30 percent of their income in gross rent, higher In Miami-Dade in 2000, 50.8 percent of all Palm Beach counties.
- households were paying more than 30 percent of their income in selected monthly In owner-occupied units, 36.2 percent of all comparable figures for Broward and Palm owner costs, again higher than the Beach counties.

Households Paying More Than 30% of Their Income in Gross Rent or Selected Owner Costs



Cost	t Burdened Households	
Mia	Miami-Dade County, Florida	
	1990 and 2000	
Cost Burden	1990	2000
S30 percent	436,597	492,034
30-39 percent		99,873
40-49 percent	46,869	51,807
50+ percent	117.578	125,854
TOTAL ALEXANDER SERVICE SERVIC	691,346	769,568

Source: The Shimberg Center, University of Florida. Miami-Dade County Department of Planning and Zoning, Research Section.

renter households with incomes greater Broward (9.2%) and Palm Beach (10.8%) In Miami-Dade in 2000, 8.4 percent of all than \$35,000 were paying more than 30 lower than the comparable figures for percent of their income in gross rent, counties.

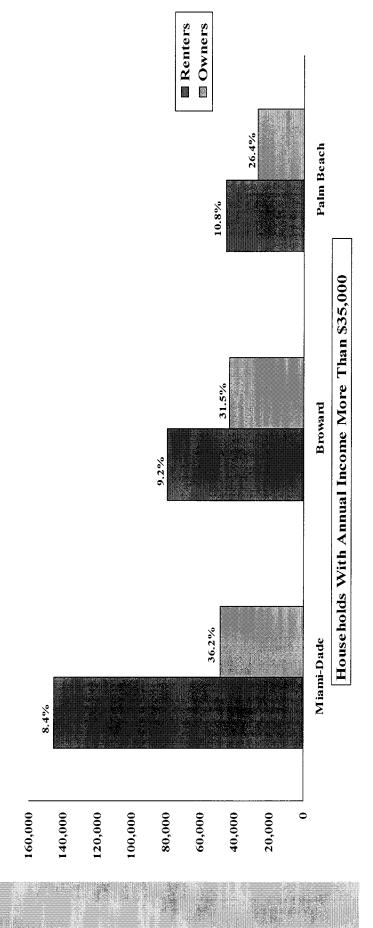
\$35,000 were paying more than 30 percent of their income in selected monthly owner costs, higher than the comparable figures all households with incomes greater than In owner-occupied units, 36.2 percent of for Broward (31.5%) and Palm Beach (26.4%) counties.

#### RentersOwners Palm Beach Paying More Than 30 Percent of Income 74.1% Low/Moderate Income Households Shelter Cost Burden in 2000 Broward 77.1% Miami-Dade 72.1% 80,00060,000 40,000 160,000 0 20,000 140,000 120,000 100,000

Households With Annual Income Less Than \$35,000

### Shelter Cost Burden in 2000

Higher Than Average Income Households Paying More Than 30 Percent of Income



- Overcrowding is a major problem in Miami-Dade.
- Almost one out of every five housing units is overcrowded.
- The percent of overcrowded units increased between 1990 and 2000.
- Many households are both cost burdened and overcrowded.

is tical Are as  County, Florida  md 2000  md 2000  2000  2000  2000  2000  County, Florida  2000  2000  Covercrowded  9.5 92,772 Units  13.9 139,104 27,899  21.1 109,272 35,264  25 141,185 34,823  15.1 219,952 21,371  15.1 219,952 14,725  13.2 90,425 14,725  13.2 90,425 10,680  16.3 852,278 155,430	Housi	Housing Units and Overcrowded Housing Units	rcrowded	Housing Units		
Miami - Dade County, Florida           1990 and 2000           2000           2000           2000           200           200           200           200           200           100         200           100         200           11         11           10         25         92,772           10         10,668           10         10,668           11         11,185         34,823           21         15.1         219,952         21,371           28         8,456         13.2         90,425         14,725           38         7,630         16.3         852,278         155,430	VADAMAA NAAMAA AAAA SAAA SAAA SAAA AAAAA AAAAA AAAAA AAAAA AAAAA AAAAA AAAA	Major Stati	stical Ara	eas		
1990 and 2000           1990           1990           1990           2000           Overcrowded         Overcrowded           Units         %         Total Units         Units           38         8,708         9.5         92,772         10,668           48         17,834         13.9         139,104         27,899           48         16,404         21.1         109,272         35,264           52         35,104         25         141,185         34,823           98         8,456         15.1         219,952         14,725           88         7,630         13.2         90,425         14,725           88         7,630         16.3         852,278         155,430	**************************************	Miami - Dade	County, I	lorida		
2000           Overcrowded         %         Total Units         Overcrowded           3         8,708         9.5         92,772         Units           18         17,834         13.9         139,104         27,899           18         16,404         21.1         109,272         35,264           20         35,104         25         141,185         34,823           31         31,734         15.1         219,952         21,371           38         8,456         13.2         90,425         14,725           38         7,630         16.3         852,278         155,430           38         125,870         16.3         852,278         155,430		1990 а	nd 2000			
Overcrowded       %       Total Units       Overcrowded         33       W.0       Total Units       Units         34       W.0       Total Units       Units         35       W.0       W.0       W.0         36       W.0       W.0       W.0         48       W.0       W.0       W.0       W.0         52       W.0       W.0       W.0       W.0       W.0         51       W.0       W.0       W.0       W.0       W.0       W.0       W.0         58       W.0       W.0 </th <th></th> <th>1990</th> <th></th> <th></th> <th>2000</th> <th></th>		1990			2000	
Units       %       Total Units       Units         33       8,708       9.5       92,772       10,668         98       17,834       13.9       139,104       27,899         48       16,404       21.1       109,272       35,264         52       35,104       25       141,185       34,823         91       31,734       15.1       219,952       21,371         98       8,456       13.2       90,425       14,725         38       7,630       13       59,568       10,680         38       125,870       16.3       852,278       155,430		Overcrowded			Overcrowded	
8,708       9.5       92,772         17,834       13.9       139,104         16,404       21.1       109,272         35,104       25       141,185         31,734       15.1       219,952         8,456       13.2       90,425         7,630       13       59,568         125,870       16.3       852,278	Total Units	Units	%	Total Units	Units	%
128,708       17,834       13.9       139,104         77,748       16,404       21.1       109,272         140,162       35,104       25       141,185         210,601       31,734       15.1       219,952         64,198       8,456       13.2       90,425         58,538       7,630       13       59,568         771,228       125,870       16.3       852,278       15	91,333	8,708	9.5	92,772	10,668	11.5
77,748       16,404       21.1       109,272         140,162       35,104       25       141,185         210,601       31,734       15.1       219,952         64,198       8,456       13.2       90,425         58,538       7,630       13       59,568         771,228       125,870       16.3       852,278       15	128,708	17,834	13.9	139,104	27,899	20.1
140,162       35,104       25       141,185         210,601       31,734       15.1       219,952         64,198       8,456       13.2       90,425         58,538       7,630       13       59,568         771,228       125,870       16.3       852,278       15	77,748		21.1	109,272	35,264	32.3
210,601       31,734       15.1       219,952         64,198       8,456       13.2       90,425         58,538       7,630       13       59,568         771,228       125,870       16.3       852,278       15	140,162		25	141,185	34,823	24.7
64,198       8,456       13.2       90,425         58,538       7,630       13       59,568         771,228       125,870       16.3       852,278       15	210,601	31,734	15.1	219,952	21,371	9.7
58,538     7,630     13     59,568       771,228     125,870     16.3     852,278     15	64,198	8,456	13.2	90,425	14,725	16.3
771,228 125,870 16.3 852,278	58,538		13	59,568	10,680	17.9
	771,228	125,870	16.3	852,278	155,430	18.2

Affordable housing will continue to be an issue in the future.

40.8 percent of the total and will grow by 31 Very low and low-income households are percent by 2025.

are 26.7 percent of the total and will grow by Moderate and middle-income households 32 percent.

H	Households by Income	y Income	
Wiam	ii - Dade Co	mi - Dade County, Florida	
	2000 and 2025	2025	
			Percent Change
Income Group	2000	2025	2005 - 2025
Very-Low & Low	316,7777	415,300	
Moderate & Middle	207,642	274,133	
Upper-Middle & High	252,355	332,987	325.0

Source: U.S. Census Bureau, Census 2000, Summary File 3, File 6. Miami-Dade County, Department of Planning and Zoning, Research Section, 2004.

### Housing Data Clearinghouse

- Housing planning requires good information.
- Location of housing is important.
- **BCC Resolution 7/24/01 directed Department of** Planning and Zoning to submit plan.
- Plan was submitted in January, 2002 accepted February.

### Clearinghouse Function

- Deals with government assisted housing all providers.
- Other housing information provided.
- Updated every two years.
- Available on Planning and Zoning website.

			GO Miami-Dade	Govern	Government Assisted Housing	Assisted Housing	ing Dietricte 2000	***************************************		***************************************
					25 cc		300# P		ŀ	
Commission District	Rental Section 8	Percent	Rental Units	Percent	ownership Units	Percent	rax Credit Units	Percent	Assisted Units	Percent
•	1,591	9.37	4,419	15.44	418	3.63	2,716	19.59	9,144	12.89
2	1,476	8.70	1,566	5.47	2,183	18.98	1,107	7.99	6,332	8.92
m	1,395	8.22	4,574	15.98	3,525	30.65	1,118	8.07	10,612	14.96
4	889	5.24	704	2.46	99	0.57	160	1.15	1,819	2.56
5	3,485	20.54	3,913	13.67	2,025	17.61	1,440	10.39	10,863	15.31
ဖ	1,015	5.98	1,754	6.13	17	0.15	429	3.10	3,215	4.53
7	720	4.24	1,118	3.91	552	4.80	152	1.10	2,542	3.58
Œ	1,153	6.79	3,246	11.34	669	6.08	3,186	22.99	8,284	11.68
O	2,086	12.29	2,060	7.20	1,887	16.41	1,519	10.96	7,552	10.64
10	562	3.31	167	0.58	26	0.23	42	0.30	797	1.12
11	337	1.99	558	1.95	48	0.42	0	00.00	943	1.33
12	733	4.32	935	3.27	28	0.24	260	1.88	1,956	2.76
13	723	4.26	3,602	12.59	28	0.24	272	1.96	4,625	6.52
district unidentified *		4.75					1,460	10.53	2,266	3.19
	11 11 11 11 11 11 11		11 11 11 11 11		                		  }          	             	             	
Total	16,971	100.00	28,616	100.00	11,502	100.00	13,861	100.00	70,950	100.00
*	' Address not provided	·	hus, distric	t unknown	thus, district unknown but either Commission District 4 or	nmission D		5.		
Technological Control	** Total housing units in	3 2	Miami-Dade	Miami-Dade County is 852,278	852,278.	**************************************				O TORRODO I I DEPORTI DE LE CONTROL DE LA CO
тиниция філь запачуджун иницурнальня положення							7		Č	
	O.O. Ceriso		cerisus zu	on Registric	Cerisus 2000 Redistricting Data (Public Law 94-171) Summary File	DIIC Law 94	mne (1 / 1 -	nary rile iv		I and PLZ;
	Miarri-Dade County H	e County He	onsing Age	ncy (MURA	ousing Agency (MDHA); Florida Housing Finance Corporation; Miami-Dade Housing	ISING FINANC	e Corporat	ion; Miami-	Dade Hous	ıng
**************************************	Finance Authority; Cit	ithority; City	/ of Hialear	i; City of Ho	Finance Authority; City of Hialean; City of Homestead; City of Miami; Miami Beach Housing Authority	/ ot Miami;	Miami Bea	ch Housing	Authority;	7.
**************************************	and Economic Develor	mic Develor	oment: and	Miami-Dad	confinantity/economic Development Department, Housing Division; Office of Community of Mami-Dade County Department of Planning and Zoning Research	Department of	, nousing , Planning a	JMSIOII, UI	Research	nunity
THE	Section, 2001	001.					D.	ĵ.		
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#### Proposal 1

Objective

housing being developed by mobilizing the To augment the amount of affordable market-rate builder community

- Precedents
- State of New Jersey
- Result of court decisions in cases initiated by builders
- Fairfax County, Virginia
- First in the nation (1971)
- Montgomery County, Maryland
- High productivity (11,000 units)

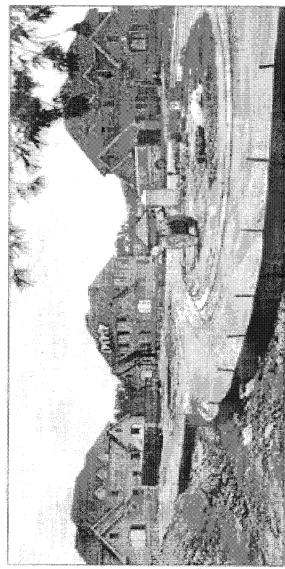
- Scale of Activity
- State (Programs/Units
- California (107/34,000)
- Massachusetts (105/1,200)
- New Jersey (283/29,000)
- Connecticut (74/1,600)

- Legal Framework
- Primarily defined by courts not legislation
- Court cases to date have not addressed constitutionality in a comprehensive manner
- Key issue: Taking?
- Incentives

- Potential Incentives
- Bonus Density (92%)
- Fast-tracking/Favorable approval processes (44%)
- Fee Waivers (42%)
- Reduced Standards (42%)
- Subsidies (38%)

- Experience
- Programs predominantly mandatory but some voluntary
- General workforce housing (80 -120% of median)
- Good design solutions have been formulated
- Production has been primarily suburban vs. urban scale projects

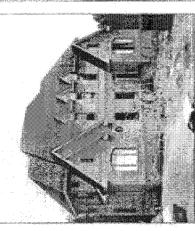
# High-End Facade Hides Va. Town Houses

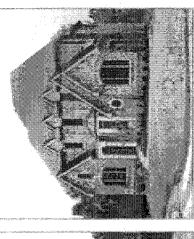


Egempore Name was required to include eight affectable treasing units in its Cartington development. The turns houses, in the two buildings on the left, were designed to blend in with the mainhborhood's single-family estates.

## Find the Affordable Housing in This Picture

Deceiving Design Helps Builder Camonflage Units in an Upseale Pairfax Neighborthood





- Issues with urban-scale projects
- Land availability
- Higher development costs but same income parameters
- Density bonus frequently not practical
- High association fees
- Design considerations
- "Gentrification"

- Key program variables
- Mandatory vs. Voluntary
- Affected projects
- Proportion of affordable units
- For-sale vs. rental
- Incentives
- Jnit dispersal, appearance and size
- Duration of affordability
- Occupant selection and unit management

- Proposed Program
- Voluntary
- No buy-out procedure required
- the part of builders to participate, builders have indicated If unsuccessful as a voluntary program do to failure on willingness to discuss conversion to mandatory
- Buy-out funds in a mandatory program must be used for low income housing and infrastructure in the in-fill area or other targeted areas

- Proposed Program
- **Currently designed for Unincorporated** only
- Appropriate efforts should be made to extend to the municipalities
- Given current land availabilities, applicability most potentially relevant to Homestead and Florida City

- Proposed Program (Cont'd)
- New residential projects above 5 units/acre and containing 20 or more units
- type of housing and site plan considerations with Number of moderately priced units required and density bonus granted determined by location these ranges:
- Number of units: 6 to 24 percent
- Density Bonus: 10 to 50 percent

- Proposed Program (Cont'd)
- Both for-sale and rental housing
- Target income range: 50 to 95 percent of
- providers will be eligible to purchase/master County and not-for-profit affordable housing lease units to reach households below MFI threshold

- Proposed Program (Cont'd)
- administration rules relating to issues of: County Manager and staff to develop
- Design guidelines
- Duration of affordability requirements
- Resale and subleasing of units
- Occupant selection
- Program management
- Bases, if any, for exemption from program

- Incentives
- Density bonuses
- other current affordable housing programs Waiver of impact fees consistent with

- Proposed program (Cont'd)
- projects providing moderately priced housing: To facilitate the provision of density bonus to
- Projects not requiring zoning boundary change, use change, etc., administratively approved
- Appeal to BCC
- Projects requiring zoning relief but not a use change, reviewed administratively subject to BCC review
- Appeal to Circuit Court
- Projects not approvable administratively heard by BCC
- Appeal to Circuit Court

#### Issues

- amendment of existing zoning procedures Bonus density provision will require
- Depletion of land supply in unincorporated area
- Incorporations and annexations

#### Proposal 2

**EQUITABLE DISTRIBUTION PROGRAM** FOR PUBLICLY ASSISTED AFFORDABLE HOUSING

What is it?

Establishes a policy for the public funding of affordable housing, in an effort to encourage the equitable distribution of such housing throughout Miami-Dade County

- Assumptions:
- Policy is focused ONLY on the role of public funding of affordable housing; does NOT address privately funded affordable housing
- Primarily will impact on the development of **NEW affordable housing**

- Assumptions:
- Policy is intended to COMPLEMENT other efforts to address equitable distribution
- Policy may result in the development of **FEWER affordable housing units**
- federal/state regulations/legislation Policy may require changes in

Methods:

- Funding Priorities

Incentives

County "support" for other funding

- Zoning Incentives

- Funding Priorities:
- Priority/Preference points given in all County competitive processes
- Maximum points for NEW projects proposed in areas of low concentration/transit zones
- Partial points for NEW projects proposed in areas of moderate concentration
- No points for NEW projects proposed in areas of high concentration

- Incentives:
- As such, the BCC shall prioritize funding and assistance for projects as follows:
- Maximum Subsidy 20% for NEW projects proposed in areas of low concentration/transit zones
- Partial subsidy 10% for NEW projects proposed in areas of moderate concentration
- Reduced subsidy 5% for NEW projects proposed in areas of high concentration
- For rehabilitation projects subsidy capped 10% ·×

- County Support:
- public resources through its direct and indirect The County can influence the distribution of affordable housing developed through other Support
- \* LIHTC maximum 100% funding impact fees for NEW projects proposed in areas of low concentration
- \* Reduced funding 65% for impact fees will provided for NEW projects proposed in areas of moderate concentration
- \* No funding will be provided in areas of high concentration

- Zoning Incentives:
- zoning code to assist in the development of -The County can adopt changes in the affordable housing in areas of low concentration
  - \* New development in ...
- \* Zoning relief that does not involve a change of use..
- \* The land use element of the CDMP must be amended to establish a floor density tied ...